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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q/A

Amendment No.3

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the quarterly period ended September 30, 2004

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the transition period from _________ to _________

Commission File Number: 000-30709

POWERCOLD CORPORATION

(Exact name of registrant as specified in its charter)

NEVADA	23-2582701
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

PO Box 1239 115 CANFIELD ROAD LA VERNIA, TEXAS	78121
(Address of principal executive offices)	(Zip Code)

830-779-5213
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. **[X] Yes** [ ] No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] **No [X]**

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. [ ] Yes [ ] No

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. **Common Stock, par value $0.001 – 22,564,337 shares outstanding at September 30, 2004.**

SEC 1296 (1-04) Potential persons who are required to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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PART I - FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

POWERCOLD CORPORATION
CONSOLATATED BALANCE SHEET

	September 30 2004 (Unaudited)	December 31, 2003	December 31, 2002
CURRENT ASSETS			
Cash	$ 1,473,411	$ 374,678	$ 88,613
Trade accounts receivable, net of allowance	6,905,932	2,388,495	296,179
Costs and estimated earnings in excess on contracts in progress	0	245,535	0
Inventory	116,429	11,156	180,433
Prepaid expenses	213,307	100,118	3,875
Total Current Assets	8,709,079	3,119,982	569,100
Property and equipment, net	361,363	135,858	130,598
Patent rights and related technology, net	1,030,555	1,306,731	926,716
Securities available for sale	0	19,317	38,800
Deposits	10,828	10,828	5,661
Total Other Assets	1,402,747	1,472,734	1,101,775
		0	13,675
TOTAL ASSETS	$ 10,111,827	$ 4,592,716	$ 1,684,550
CURRENT LIABILITIES			
Accounts payable and accrued expenses	$ 2,287,216	$ 1,253,030	$ 335,250
Billings in excess of costs and estimated earnings on contracts in progress	2,168,509	947,807	0
Commissions and royalty payable	0	8,180	55,066
Accounts payable, related party	334,354	417,236	196,760
Current portion of Notes Payable	1,333,333		
Convertible debt, net of discounts	0	334,014	34,014
Current portion of capital lease payable	0	630	3,321
Total Current Liabilities	6,123,412	2,960,897	624,411
CAPITAL LEASE PAYABLE, net of current portion	0	0	600
NOTES PAYABLE, net of current portion	3,148,051		
COMMITMENTS AND CONTINGENCIES	69,417	69,417	277,903
STOCKHOLDERS' EQUITY			
Convertible preferred stock, Series A, $0.001 par value; 5,000,000 shares authorized, no shares issued and outstanding	0	0	0
Common stock, $0.001 par value; 200,000,000 shares authorized, 22,564,337, 21,576,750 and 18,442,066, shares issued and outstanding, respectively	22,565	21,577	18,442
Additional paid-in capital	18,074,591	17,210,471	13,840,318
Stock options and warrants	898,213	588,507	504,998
Accumulated deficit	(18,155,005)	(16,277,470)	(13,620,922)
Accumulated other comprehensive income	0	19,317	38,800
Total Stockholders' Equity	840,361	1,562,402	781,636
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 10,111,827	$ 4,592,716	$ 1,684,550

See accompanying condensed notes.

POWERCOLD CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
THREE MONTHS ENDED SEPTEMBER 30, 2004

		Three Months Ended September 30		
		2004 (Unaudited)	2003 (Unaudited)	2002 (Unaudited)
REVENUES				
Contracts including equipment	$	2,540,666	0	0
Equipment		205,424	2,139,794	460,459
Total Revenues		2,746,090	2,139,794	460,459
COST OF REVENUES				
Direct labor and equipment-contracts		2,309,337	-	-
Direct labor and material-equipment		0	1,355,750	334,349
Warranty expense		0	-	-
Manufacturing supplies		0	-	-
Shipping and handling		0	-	-
Total Cost of Revenues		2,309,337	1,355,750	334,349
GROSS PROFIT		436,753	784,044	126,110
OPERATING EXPENSES				
Sales, marketing and advertising		149,463	182,707	166,211
General and administrative		565,272	522,555	813,063
Research and development		0	-	-
Bad debt		250,000	-	-
Depreciation and amortization		29,986	24,985	18,930
Total Operating Expenses		994,722	730,247	998,204
INCOME (LOSS) FROM OPERATIONS		(557,969)	53,797	(872,904)
OTHER INCOME (EXPENSES)				
Interest income		4,033	944	0
Interest and financing expense		(2,211)	(1,121)	(2,764)
Inventory impairment		0	0	(143,742)
Other income (expense)		4,049	233,139	0
Total Other Income (Expenses)		5,871	232,962	(146,506)
INCOME (LOSS) BEFORE INCOME TAX		(552,098)	286,759	(1,018,600)
INCOME TAX EXPENSE		0	0	0
INCOME (LOSS) FROM CONTINUING OPERATIONS		(552,098)	286,759	(1,018,600)
LOSS FROM DISCONTINUED OPEATIONS		0	0	0
NET INCOME (LOSS)		(552,098)	286,759	(1,018,600)
OTHER COMPREHENSIVE INCOME (LOSS)				
Unrealized gain (loss) on investments		(0)	0	(212,400)
COMPREHENSIVE INCOME (LOSS)	$	(552,098)	286,759	(1,231,000)
NET LOSS PER COMMON SHARE: BASIC AND DILUTED, CONTINUING OPERATIONS	$	(0.03)	(0.01)	(0.08)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, BASIC AND DILUTED		21,754,805	19,202,066	16,281,220

See accompanying condensed notes.

POWERCOLD CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
NINE MONTHS ENDED SEPTEMBER 30, 2004

	Nine Months Ended September 30,		
	2004 (Unaudited)	2003 (Unaudited)	2002 (Unaudited)
REVENUES			
Contracts including equipment	$ 7,348,302	0	0
Equipment		5,373,354	1,306,949
Total Revenues	7,348,302	5,373,354	1,306,949
COST OF REVENUES			
Direct labor and equipment-contracts	5,750,312	-	-
Direct labor and material-equipment	0	4,033,600	945,358
Warranty expense	0	-	-
Manufacturing supplies	0	-	-
Shipping and handling	0	-	-
Total Cost of Revenues	5,750,312	4,033,600	945,358
GROSS PROFIT	1,597,990	1,399,754	361,591
OPERATING EXPENSES			
Sales, marketing and advertising	675,915	500,164	473,292
General and administrative	2,165,718	1,594,923	2,183,807
Research and development	0	-	-
Bad debt	250,000	-	-
Depreciation and amortization	82,355	74,955	63,105
Total Operating Expenses	3,173,988	2,170,042	2,720,204
LOSS FROM OPERATIONS	(1,575,998)	(830,288)	(2,358,613)
OTHER INCOME (EXPENSES)			
Royalty income	0	0	0
Interest income	4,500	1,063	0
Interest and financing expense	(311,460)	(2,316)	(4,649)
Inventory impairment	0	0	(143,742)
Gain from closure of a segment	0	233,139	0
Other income (expense)	5,423	196,324	0
Total Other Income (Expenses)	(301,537)	428,210	(148,391)
LOSS BEFORE INCOME TAX	(1,877,535)	(402,078)	(2,507,004)
INCOME TAX EXPENSE	0	0	0
LOSS FROM CONTINUING OPERATIONS	(1,877,535)	(402,078)	(2,507,004)
LOSS FROM DISCONTINUED OPEATIONS	0	0	(667,723)
NET LOSS	(1,877,535)	(402,078)	(3,174,727)
OTHER COMPREHENSIVE INCOME (LOSS)			
Unrealized gain (loss) on investments	(0)	(19,483)	(581,000)
COMPREHENSIVE LOSS	$ (1,877,535)	(421,561)	(3,755,727)
NET LOSS PER COMMON SHARE: BASIC AND DILUTED, CONTINUING OPERATIONS	$ (0.09)	(0.02)	(0.23)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, BASIC AND DILUTED	21,754,805	19,102,066	16,268,893

See accompanying condensed notes.

POWERCOLD CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
NINE MONTHS ENDED SEPTEMBER 30, 2004

	Nine Months Ended September 30,		
	2004 (Unaudited)	2003 (Unaudited)	2002 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	$ (1,877,535)	$ (402,078)	(3,174,677)
Loss from discontinued operations	0	0	667,673
Net loss from continuing operations	(1,877,535)	(402,078)	(2,507,004)
Adjustments to reconcile net loss to net cash			
used in operating activities:			
Depreciation and amortization	82,355	74,955	63,105
Impairment of goodwill	0	16,866	0
Forgiveness of debt	0	(196,324)	0
Bad debt expense	250,000	0	194,155
Impairment of inventory	0	0	143,742
Issuance of common stock for services	112,250	145,800	378,750
Issuance of common stock for compensation	0	0	30,000
Settlement of commitments and contingencies	0	0	(18,480)
Warrants issued for interest	309,706	0	0
(Increase) decrease in assets:	76,000		
Accounts receivable	(4,767,437)	(3,512,835)	(466,578)
Costs in excess of billings	245,535	0	0
Receivable from related party	0	0	(1,686)
Inventories	(105,273)	(53,145)	(66,384)
Prepaid expenses	(113,189)	2,802	16,750
Increase (decrease) in liabilities:			
Accounts payable and accrued expenses	1,034,186	2,766,076	276,019
Accounts payable, related party	(0)	0	0
Deferred revenue	0	0	0
Billings in excess of costs	1,220,702	0	0
Commissions payable	0	(34,060)	0
Net cash used in operating activities	(3,532,700)	(1,149,943)	(1,957,611)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Deposits	0	(91,196)	3,309
Purchase of property and equipment	(307,861)	(5,416)	(7,234)
Paid royalties	(8,180)	0	(400,000)
Acquisition of subsidiary	0	0	(65,000)
Investment in discontinued operations	0	0	18,284
Net cash used in investing activities	(316,041)	(96,612)	(450,677)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Principal payments on capital lease	(630)	(1,195)	(3,604)
Proceeds from issuance of shares under private placement	800,309	2,287,078	2,131,162
Loans, related party, net	(210,704)	(104,554)	0
Proceeds from short-term borrowings	4,358,500	5,000	0
Proceeds from convertible debt issuance	4,947,475	0	
Repayment of short term borrowing	(0)	0	(2,315)
Financing activities provided by closed segment	0	(222,342)	
Net cash provided by financing activities	4,947,475	1,958,987	2,125,243
Net increase (decrease) in cash	1,098,734	712,432	(283,045)
Cash at beginning of year	374,678	93,372	290,174
Cash at end of year	$ 1,473,412	$ 805,804	7,129

See accompanying condensed notes.

POWERCOLD CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2004
(CONTINUED)

SUPPLEMENTAL CASH FLOW INFORMATION:						
Interest paid	$	0	$	2,316	$	0
Income taxes paid	$	0	$	0	$	0
NON-CASH TRANSACTIONS:						
Unrealized gain (loss) on securities available for sale	$	(0)	$	(19,438)	$	(581,000)
Issuance of common stock for prepaid services and compensation	$		$	187,800	$	408,750
Issuance of common stock for debt	$	100,000	$	0	$	0
Issuance of common stock for compensation	$	0	$	0	$	208,750
Issuance of common stock for acquisition	$	0	$	0	$	200,000
Issuance of common stock for services	$	112,250	$	145,800	$	408,750
Stock rescinded in disposition	$	0	$	0	$	(175,000)
Inventory exchanged for chiller technology	$	0	$	460,000	$	0
Commissions, accounts payable and commitment and contingencies forgiven	$	0	$	196,324	$	0
Warrants issued for interest	$	309,706	$	0	$	0

See accompanying condensed notes.

POWERCOLD CORPORATION
CONDENSED NOTES TO CONSOLIDATED
INTERIM FINANCIAL STATEMENTS
September 30, 2004

NOTE 1 –BASIS OF PRESENTATION

The foregoing unaudited consolidated interim financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q as promulgated by the Securities and Exchange Commission. Accordingly, these financial statements do not include all of the disclosures required by generally accepted accounting principles for complete financial statements. These unaudited consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the period ended December 31, 2003. In the opinion of management, the unaudited consolidated interim financial statements furnished herein include all adjustments, all of which are of a normal recurring nature, necessary for a fair statement of the results for the interim period presented.

The preparation of financial statements in accordance with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities known to exist as of the date the financial statements are published, and the reported amounts of revenues and expenses during the reporting period. Uncertainties with respect to such estimates and assumptions are inherent in the preparation of the Company's financial statements; accordingly, it is possible that the actual results could differ from these estimates and assumptions that could have a material effect on the reported amounts of the Company's financial position and results of operations.

NOTE 2- CONTRACTS IN PROGRESS

For the nine months ended September 30, 2004 contract amounts, costs, estimated earnings, and the related billings to date on completed contracts and contracts in progress were as follows:

	Contract Revenues	Contract Cost	Gross Profit
Total activity	$ 7,348,302	$5,750,312	$1,597,990
Contracts completed during the nine month period	$ 1,735,491	$507,629	$1,227,862
Contracts in progress at September 30, 2004	$ 5,612,811	$ 5,242,683	$ 370,128

Contracts in progress as of September 30, 2004 were as follows:

Cumulative costs to date	$5,242,683
Cumulative gross profit to date	370,128
Cumulative revenue earned	5,612,811
Less progress billings to date	3,444,302
Net over billings	$2,168,509

The following is included in the accompanying balance sheet under these captions as of September 30, 2004:

Costs and estimated earnings on contracts in progress in excess of billings	$-0-
Billings in excess of costs and estimated earnings on contracts in progress net over billings	$2,168,509

NOTE 3 – STOCK-BASED COMPENSATION AND STOCK OPTIONS

During the three months ended September 30, 2004, the Company granted 461,111 common stock options for Company employees with an exercise price of $1.65 per share that expire July 30, 2009 and 25,000 common stock options for Company employees with an exercise price of $1.50 per share that expire on September 1, 2007.

The Company applies APB Opinion No. 25 in accounting for options and, accordingly, recognized no compensation cost for its stock options in 2004, 2003 and 2002. The following reflects the Company's pro forma net loss and net loss per share as if the Company had determined compensation costs based upon fair market values of options at the grant date, as well as the related disclosures required by SFAS 123:

	Nine Months Ended September 30, 2004	Year Ended December 31, 2003	Year Ended December 31, 2002
Net loss as reported	$ (1877,535)	$ (2,656,548)	$ (4,291,443)
Adjustment required by SFAS 123	(232,008)	(492,597)	(553,975)
Pro forma net loss	$ (1,240,987)	$ (3,149,145)	$ (4,845,418)
Pro forma net loss per share, basic and diluted	$ (0.06)	$ (0.16)	$ (0.28)

	Number of Shares Under Option	Weighted Average Exercise Price
Outstanding and exercisable, December 31, 2001	3,680,058	0.84
Granted	530,833	1.22
Exercised	-	-
Rescinded or expired	(127,500)	.88
Outstanding and exercisable at December 31, 2002	4,083,391	1.06
Granted	712,725	1.37
Exercised	(300,000)	0.50
Rescinded or expired	(456,333)	1.06
Outstanding at December 31, 2003	4,039,783	1.16
Granted	813,299	1.91
Exercised	(210,000)	1.00
Rescinded or expired	(400,000)	1.02
Outstanding at September 30, 2004		
Exercisable at September 30, 2004	4,243,082	$ 1.32
Weighted average fair value of options granted during 2004		$ 0.95

NOTE 4 - COMMON STOCK

During the three months ended September 30, 2004, the Company issued, 196,545 common stock shares; 90,295 shares of common stock at $1.66 per share for the conversion of debt in the amount of $150,000; 81,250 shares for a single investor at $1.60 per share valued at $130,000 for private placement; and 25,000 shares at $1.50 per share valued at $37,500 for a partial patent acquisition.

NOTE 5 - WARRANTS

During the three months ended September 30, 2004, the Company issued 300,000 common stock warrants exercisable at $1.87 per share, for three years from date of issuance on August 30, 2004 as consideration for investment banking services. The warrants expire on August 30, 2007. The company issued 615,000 warrants to purchase common stock on July 29, 2004 in connection with a 5,000,000 convertible debt funding. The warrants have a three year term and expire July 29, 2007. The exercise price is $2.63 for 300,000 warrants to purchase common stock and $3.07 for 315,000 warrants to purchase common stock. The fair market value of the warrants was estimated on the date of grant using the Black Scholes Calculation at $588,330. The following assumptions were made in estimating fair value: risk-free interest of 4%, volatility of 75%, expected life of one and five years and no expected dividends.

NOTE 6 – NOTES PAYABLE

Long-Term Note Payable

On July 29, 2004 the Company entered into a securities purchase agreement with Laurus Master Fund, Ltd., a Cayman Islands company (“Laurus”) for the purchase of a $5,000,000 convertible term note (“note”). Under the terms of the securities purchase agreement, the Company also issued common stock purchase warrants to Laurus to purchase 615,000 shares of common stock, exercisable for three years from the initial exercise date. The exercise prices of the warrants are $2.63 for 300,000 shares and $3.07 for the remaining shares.

The note, which matures on July 29, 2007, bears interest at the prime rate of interest plus 1 percentage point, with a minimum interest rate of 5% and a maximum rate of 8%. The note is convertible into common stock with a conversion price of $1.87 on July 29, 2004, subject to conversion by Laurus as well as an automatic conversion. The fixed conversion price of $1.87 per share is applicable when the PowerCold stock average closing price for the five days prior to the repayment is at or above 110% of the fixed conversion price. Conversion at less than the fixed conversion price is set at 90% of the average of the five lowest trading days in the 22 trading days prior to the conversion date. The fixed price cannot be less than $1.10 per share. The beneficial conversion feature of this note has been recorded additional paid-in capital of $569,106 and as a discount to the note, amortizable over three years. At December 31, 2004 $79,042 has been amortized. The Company also retains the right to prepay the note at 125% of the unpaid balance for 12 months from July 29, 2004; 115% of the unpaid balance for 12-24 months from July 29, 2004; and 110% of the unpaid balance after 24 months from July 29, 2004. As consideration for investment banking services in connection with the securities purchase agreement, the Company paid 4.29% of the gross proceeds to Laurus Capital Management, LLC, (an affiliate of Laurus Master Fund, Ltd), who received consideration for investment banking services in connection with the securities purchase agreement. Laurus Capital Management LLC is the entity that exercises voting and investment power on behalf of Laurus Master Fund, Ltd, the selling shareholder, 0.04% to Loeb & Loeb, LLP a California limited liability partnership as the escrow agent for the transaction and 8.5% of the gross proceeds to the Dragonfly Capital Partners, LLC (an affiliate of Oberon Group, LLC, a North Carolina Limited Liability Company).

NOTE 6 – NOTES PAYABLE (continued)

Laurus can convert to equity any portion of the principal balance and accrued but unpaid interest subject to the limitations of the 35% aggregate trading limit for the 22 days prior to redemption and the 4.99% total holdings limitation with the only exceptions being default and prior 75 day notification by Laurus that they will exceed the 4.99% ownership limitation but will be restricted to a 19.99% limitation not to exceed 4,457,995 shares.

Monthly amortizing payments of the aggregate principal amount outstanding under the note begin on February 1, 2005 in the amount of $166,667 plus interest. The Company has recorded a discount on the note for deferred financing costs of $641,500 which will be amortized over the life of the loan. Amortization expense at September 30, 2004 was $35,639.

The Company also agreed to file a registration statement within 45 days from July 29, 2004, registering the number of shares underlying the secured convertible term note and the warrants, and to have that registration statement declared effective with the Securities and Exchange Commission within 120 days from July 29, 2004. In the event that the registration statement is not declared effective by the Securities and Exchange Commission by the required deadline, the Company is obligated to pay to Laurus Master Fund 1% of the original principal amount of the convertible note, for each 30-day period, or portion thereof, during which the registration statement is not effective.

Future minimum principal payments on the note are as follows:

Year	Annual Maturity Amount
2005	$1,598,117
2006	$1,743,400
2007	$1,016,982

Current Notes Payable

At September 30, 2004, notes payable included of a line of credit is payable to Royal Bank of Canada for $34,014 U.S. The Company made interest only payments on this line of credit which is unsecured. Interest expense on this loan was $2,430 for each of the years ended December 31, 2002 and 2001. During the year ended December 31, 2003, the Company discontinued making the interest payments and is disputing the loan which was in the name of Steven and Susan Clark and remains in dispute as of the date of this filing.

The Company received from Simco $196,760 in unsecured advances during 2002 and an additional $161,108 during 2003. The advances bear interest at 8% and are payable on demand. No payments were made against the principal during 2002 or 2003. The debt was convertible to common stock as calculated at 50% of the bid price at the end of the quarter preceding conversion during 2003 and 2002. The beneficial conversion feature of these loans is recorded as additional paid in capital. The interest expense, related to these loans, recorded in 2003 and 2002 is $218,979 and $195,538, respectively.

At year end December 31, 2003, the Company issued a promissory note for $300,000 with a non-detachable warrant to purchase up to 60,000 shares of common stock until May 10, 2004. This note was due May 10, 2004 and had no stated interest rate. In consideration of an additional 30,000 warrants to purchase common stock at $1.50 per share for a term of 3 years to expire on July 28, 2007 the promissory note redemption date was extended to July 28, 2004 and repaid at that time.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Forward looking statements made herein are based on current expectations of the Company that involves a number of risks and uncertainties and should not be considered as guarantees of future performance. The factors that could cause actual results to differ materially include; interruptions or cancellation of existing contracts, impact of competitive products and pricing, product demand and market acceptance risks, the presence of competitors with greater financial resources than the Company, product development and commercialization risks and an inability to arrange additional debt or equity financing.

The accompanying consolidated financial statements contemplate continuation of the Company as a going concern. At September 30, 2004 the Company had an accumulated deficit of $18,155,005 and recurring losses from operations for each year presented. Property, equipment, accounts receivables and intangibles comprise a material portion of the Company's assets. Accounts receivable as of September 30, 2004 are $6,905,932 with reported revenue for the nine month period ended Septemeber 30, 2004 at $7,348,302. The recovery of these assets is dependent upon collection of outstanding receivables and achieving profitable operations. The ultimate outcome of these uncertainties cannot presently be determined. We actively seek sufficient financing to achieve profitability. Realization of a major portion of the assets in the accompanying balance sheet is dependent upon continued operations of the Company, and the success of its future operations.

GENERAL FINANCIAL ACTIVITY

PowerCold Corporation, (PowerCold)® (OTCBB: PWCL), designs, develops and markets energy efficient heating, ventilating and air conditioning systems (HVAC) and energy related products for commercial use. Air conditioning and refrigeration are two of the more energy intensive operational costs many businesses face. Increasing power costs and clean air regulations have prompted corporations of all sizes to focus both on energy savings and indoor air quality. PowerCold's proprietary products are designed to provide a clean comfort air environment and reduce power costs through the use of energy efficient equipment.

PowerCold operations include four wholly owned subsidiary companies with respective operating divisions: PowerCold Products, Inc., (PCP) supports product development, engineering and manufacturing. PowerCold ComfortAir Solutions, Inc., (PCS) supports sales and marketing offering turnkey energy efficient HVAC solutions for commercial buildings, including major hotel chains, national restaurant and retail store chains, extended care facilities and office buildings. There are two operating divisions of PCS; Applied Building Technology (ABT) supports related engineering and design build HVAC applications and PowerCold Energy Systems (PES) which supports related energy products including generators and engine driven chillers. PowerCold Technology LLC, (PCT) licenses technology and intellectual property to third party entities on a non-exclusive basis. PowerCold International, Ltd., (PCI), a new operating subsidiary company effective July 1, 2003, markets all company products and system applications worldwide through various alliances and marketing agencies. PowerCold has also established alliances with various companies in the industry to market and manufacture related HVAC and Energy products.

The Company derives its revenues from four principal product line applications: The first is proprietary applications for the HVAC industry which includes a patented four pipe integrated piping system for large commercial buildings and turnkey HVAC systems for light commercial national chain store applications. The second is a line of evaporative condensers, heat exchange systems and fluid coolers for the HVAC and refrigeration industry. The third is the design and packaging of custom chiller systems for the HVAC and refrigeration industry. The fourth is energy products including generators, engine driven chillers and engineering services.

Subsidiary Companies:

PowerCold Products, Inc. – PowerCold Products (PCP) provides product research and development, engineering and manufacturing of patented evaporative condensers and heat exchange systems for the heating, ventilation and air condition (HVAC) and refrigeration industry. PCP supports the Company's Nauticon® and EV Chill™ product lines with engineering design and packaging for its products. PCP also supports custom refrigeration systems by designing, engineering and packaging special customer orders.

The Nauticon patented products are simple to manufacture. They are used for evaporative condensers, fluid coolers, sub-coolers, commercial and industrial refrigeration system components, and custom refrigeration products for commercial and industrial applications. Nauticon products can reduce power cost for air condition and refrigeration applications by up to 40% when used as a replacement for air cooled condensers. The efficiency of water cooled condenser technology is well understood in the industry and is the preferred method in large central chiller plants reducing kW per ton of cooling for chilled water air conditioning from a typical 1.08 kW/ton at a suction temperature of 45 F and condensing temperature of 130 F for air cooled condensers to 0.67 kW/ton at a suction temperature of 45 F and condensing temperature of 95 F for evaporative (water) cooled condenser, a 38% reduction in kW demand. Capacity and power consumption is estimated from data published in the ASHRAE 2004 Handbook, HVAC Systems and Equipment Handbook, Chapter 34.6, Fig. 2 Capacity and Power-Input curves for Typical Hermetic Reciprocating Compressor. PowerCold has continued to invest in and improve the Nauticon product line, expanding its product offerings ranging from a single 10-ton unit up to 300-ton or more multi-unit systems. The company has three patents related to the Nauticon product line.

PowerCold ComfortAir Solutions, Inc. – PowerCold ComfortAir Solutions, Inc., (PCS) supports sales and marketing for all U.S. operations offering high efficiency design build HVAC solutions for new and retro-fit commercial buildings, including major hotel chains, national restaurant and retail store chains, extended care facilities, and office buildings. PCS provides these national accounts with turnkey solutions for the design, engineering and installation of energy efficient HVAC solutions. The Company's services are specifically targeted toward large national accounts, such as hospitality providers and national retailers who standardize their HVAC systems across all of their properties.

In December 2000, PowerCold acquired the technology rights, patent rights, and a license agreement for integrated piping technology for a heating and air conditioning system. This acquisition gave the Company exclusive, non-transferable United States transfer rights to the technology and all related assets. In 2003, PowerCold filed for its own, exclusive, enhanced related patent, Environmental Air Treatment System, for worldwide use that supports all of the Company's HVAC technology including desiccant and solar energy systems.

The design build approach continues to grow in popularity within the construction industry and is expected to become the predominant method of project delivery for PowerCold ComfortAir Solution, Inc. by 2005. In January 2004, the Company set up a National Contractors Alliance (NCA) program to provide additional revenue opportunities as the design build program gains momentum with its new alliance partners. The NCA is a turnkey design build program that brings together a nationwide network of contractors, engineers, architects, subcontractors and equipment suppliers to design, build, and equip facilities with the Company's proprietary HVAC systems. The turnkey design build approach offers a cooperative project management approach that can minimize cost overruns and delays.

PCS expects significant growth to come from this multi-market channel once the national account agrees to use PowerCold's system in both new and existing locations. The Company currently has installed seventeen of the large building systems in three major hotel chains and various extended care facilities and has installed over thirty retail national chain accounts in the U.S.

Applied Building Technology - In August 2002, the Company acquired all the assets of Applied Building Technology, a supplier of complete standardized heating, ventilation and air conditioning packages for commercial buildings. This new acquisition gives the Company a major entrée into the vast market for small commercial HVAC systems for national chain accounts. Increasing power costs and clean air regulations have motivated corporate management with chain store operations to focus on energy savings and indoor air quality.

The company introduced two new applications to support the national chain store business: The BreezeMaster system, designed for use by large chain retail and fast food stores, is a closed loop cooler that prevents moisture buildup that can lead to legionella and other respiratory diseases associated with standard evaporative condensers. This product is designed for the high volume 10 to 30 ton commercial rooftop unit market where small footprint, weight and height are an issue. The other application is the new proprietary DesertMaster energy exchange fresh air system. The system uses cool or warm exhaust air being circulated out of a building to cool or heat incoming outside fresh air. The desiccant section is then used to remove the moisture from building and fresh air 24 hours per day seven days per week. The DesertMaster energy recovery and desiccant system, can reduce the required capacity of the air conditioning equipment by approximately 20% by transferring the latent cooling load to the desiccant system. Latent cooling involves removing the moisture from the air by cooling below the dew point. The dehumidified air may be uncomfortably cool and have to be reheated before it is returned the space being cooled.

Air conditioning systems are sized for a combination of two cooling loads: latent (air humidity) and sensible (cooling of space air). The latent cooling load can account for as much as 30% to 50% of air conditioning requirements. Conventional, refrigeration-based air conditioning is electrical-energy intensive. Desiccant dehumidification removes humidity from ventilation air. Therefore, air conditioning requirements are reduced to meet the demands of sensible cooling and smaller air-conditioning plants are required. Reducing humidity in the air handling system and the building spaces during the cooling season will improve indoor air quality by preventing condensation in equipment and reducing the growth and propagation of micro-organisms.

Desiccant augmented cooling systems are energy efficient and environmentally benign. Desiccant dehumidification could reduce total residential electricity demand by as much as 25% in humid regions, providing a drier, more comfortable, and cleaner air environment {NREL(2000) Advanced desiccant cooling and dehumidification program, National Renewable Energy Laboratory, http://www.nrel.gov/desiccantcool/intro.htm.

PowerCold Energy Systems - The Company originally formed Alturdyne Energy Systems to support its natural gas engine driven chillers and its rotary engine generator business. The name was changed to PowerCold Energy Systems in November 2002. In September 2002 the Company acquired an exclusive license from Alturdyne to manufacture, package, market, develop and use intellectual property for the natural gas engine driven chillers and the natural gas rotary engine gen-set for a period not to exceed ten years. The Company pre-paid Alturdyne \$400,000 in royalty payments against the first \$8,000,000 in anticipated sales as part of an exclusive license. In September 2003 Alturdyne purchased 63 rotary engines from PowerCold for \$460,000. Subsequently, the prepaid royalty and the rotary engine receivable were combined and structured as an outright purchase of the engine driven chiller technology.

The installation of combined heat and power (CHP) technology has grown in use over the last ten years. The technology and intellectual property acquired by the Company will enhance the Company's ability to offer customers complete packaged solutions for their HVAC and power generation needs. The engine driven chillers include standard and custom packaging of natural gas, electric and diesel-fueled engine driven chillers used for HVAC system applications.

PowerCold International Ltd. – The Company was incorporated as a new operating subsidiary effective July 1, 2003. PowerCold International markets all company products and system applications worldwide through various alliances and marketing agencies. Agents and alliances are being organized in various countries worldwide to market and support the company's products and application systems. Two alliances include: Shun Cheong Electrical Engineering Co., Ltd., Hong Kong, and Industrias Polaris S. A., Monterrey, Mexico. We executed an exclusive marketing agreement with Shun Cheong for Hong Kong and the surrounding area for Nauticon products. The exclusive nature of the agreement included minimum purchase requirements which have not been achieved. The agreement is being reoffered on a non-exclusive basis or will be terminated for reasons of nonperformance.

PowerCold Technology, LLC - The Company was recently formed on February 12, 2004 pursuant to the LLC Act and other applicable laws of the State of Nevada. All assets of the Company related to patent rights, trade names, trademarks, copyrights, licenses, trade secrets, inventions, intellectual proprietary rights and "know-how" will be owned by PowerCold Technology, LLC, a wholly owned subsidiary company of PowerCold Corporation. PowerCold Technology will license "assets" to PowerCold subsidiary companies and other third party company's world wide on a non-exclusive basis.

Products:

Nauticon Evaporative Condensers - The Company envisions worldwide market demand for its proprietary evaporative condensing systems used in air conditioning systems. The Nauticon patented products are simple to manufacture. They are used for evaporative condensers, fluid coolers, sub-coolers, refrigeration system components and custom refrigeration products for commercial and industrial use. Nauticon products can reduce power cost in the air condition and refrigeration industry by up to 40% compared to typical, standard air cooled condensers utilized on many refrigeration and air conditioning systems smaller than 200 ton capacity. Nauticon evaporative condenser units have beneficial features; they are free of water treatment chemicals, have self-cleaning coils that shed scale and are low-maintenance. Nauticon's primary advantage is energy savings, yielding EER ratings as high as 18 even as the industry, through regulation, changes to lower efficiency refrigerants. Nauticon products could revolutionize the refrigeration industry by providing a cost effective alternative to the much less efficient air cooled condenser typically utilized on commercial roof top refrigeration and AC units. The industry faces serious changes for the first time in years due to energy and environmental concerns worldwide.

HVAC Systems **–** PowerCold owns the exclusive U.S. technology rights for an integrated piping technology system for heating, ventilating and air conditioning systems (HVAC). The significant feature of the patented HVAC system is the use of the existing pipes, as the delivery system, to provide hot and chilled water to individual fan coil units. The proprietary technology is designed to utilize the fire sprinkler piping to circulate the cooling water around the building. In addition, the domestic hot water lines also distribute heating energy.

The dual use of the piping systems provide cost effective heating and cooling from a central system with compressor-free guest rooms for the hospitality industry. The PowerCold ComfortAir system provides the precise comfort control of four-pipe air conditioning at a lower capital cost. Guess rooms offer the precise comfort of a typical four-pipe air conditioning/space heating system at a lower installed cost achieved through the dual purpose use of the fire sprinkler system to deliver chilled water and the domestic hot water system to deliver hot water for space heating to the fan coil units eliminating the need to install two additional pipes. Installation and construction costs are comparable to conventional through-the-window Package Terminal Air Conditioners (PTAC) units. The PowerCold ComfortAir System also avoids the discomfort of poor temperature/humidity control and sleepless nights from noisy compressor cycling. PowerCold's HVAC system provides energy saving and operating advantages through the integration of energy recovery and other technologies to increase efficiency and reduce operating costs.

PowerCold's Energy Efficient HVAC and Refrigeration Technologies Can Significantly Cut Peak Power Demand and Costs: Deregulated electricity during the hot summer peak-power-demand-days can cost 10-100 times more than normal. Commercial customers' demand-surcharges, which are based on their peak-power usage during the 20-30 days per year when temperatures soar to 95° + F, can represent 30-50% of their total electric bill in some parts of the country. Consequently, reducing peak power demand during these few days could significantly reduce or eliminate surcharge costs. Commercial air conditioning and refrigeration (accounting for $7 billion of 2000's $37 billion in peak-power demand costs) are the Company's initial target markets. America is well entrenched with air condition and refrigeration systems, but there is a great niche market for the Company's evaporative condensers and chiller products. PowerCold and its related entities have the refrigeration engineering expertise and new products to reduce energy costs for an industry that hasn't seen many changes in the last 50 - 60 years.

Significant Events During Third Quarter 2004:

Largo, FL, July 22, 2004 – PowerCold Corporation (OTCBB: PWCL) announced today that it has received up to a $25 Million financing program from a major commercial mortgage corporation. The finance program provides PowerCold and its customers a stable funding source for its patented energy saving HVAC systems. The new financing program is effective immediately and will be used primarily by PowerCold ComfortAir Solutions, Inc., a PowerCold company, for its commercial customers that include the hospitality, healthcare, leisure, and retail industries.

Largo, FL, July 27, 2004 – PowerCold Corporation (OTCBB: PWCL) announced today that PowerCold ComfortAir Solutions, Inc. (PCS) has been awarded over $2 Million in HVAC design and controls contracts for retail and commercial projects.

BACnet technology integration provides PowerCold new building automation systems that will generate additional revenues following its recent introduction into the digital controls market.

PowerCold recently received new controls purchase orders from two major healthcare groups in Florida. The Company also received contracts for a number of restaurant chains including Dunkin' Donuts, Krispy Kreme Doughnuts, and Whataburger. Other retail chain contracts include Advanced Auto Parts, Eckerd Drugs, Walgreen's, J & B Carpet Warehouse, and Lake Sumter Community College. Additionally, PowerCold has a contract with Hill York Corporation to provide plastic fluid coolers.

PCS President Robert Yoho, commented, "The ability to integrate products and systems from different providers gives owners great flexibility. They can competitively bid new projects and retrofits, and select the manufacturers that meet the requirements of the project at the best price. It allows them to expand their systems, and mix and match equipment to fit their HVAC needs for the present and future. With the introduction of BACnet technology into the Company's product line, PowerCold has strategically positioned itself for substantial market gains in the hospitality, healthcare, leisure and retail industries."

PowerCold® recently signed a distribution agreement with controls manufacturer OEMctrl™. OEMctrl provides Direct Digital Control (DDC) hardware and software, and specializes in custom configurable controllers that "speak" BACnet, the dominant building automation control language in the HVAC industry. BACnet, which stands for Building Automation and Control network is used for a variety of building automation systems, including HVAC and IAQ, security and fire safety, lighting, and energy management. BACnet technology saves money by allowing central management, control, monitoring, and system optimization within a building and/or over the Internet.

LaVernia, TX, August 02, 2004 – PowerCold Corporation (OTCBB: PWCL) announced today that it has secured a $5 million financing facility with Laurus Master Fund, Ltd. ("Laurus Funds") to primarily support the growth of the Company.

PowerCold® has authorized the sale of a three year $5 million Secured Convertible Term Note to Laurus that is payable in cash or convertible into shares of the Company's common stock. Amortizing payments of the Note will begin on February 1, 2005. The monthly interest rate is prime rate plus one per cent and shall not be less than five percent and no more than eight percent. The initial fixed conversion price of $1.87 per share is equal to 107% of the average closing price for the twenty-two trading days prior to the date of the Note. The fixed conversion price of $1.87 per share is applicable when the PowerCold stock average closing price for the five days prior to the repayment date (the first of each month) is at or above 110% of the fixed conversion price. Conversion at less than the fixed conversion price is set at 90% of the average of the five lowest trading days in the 22 trading days prior to the repayment date. The fixed conversion price cannot be less than $1.10 per share. Conversion is limited to 35% of the aggregate trading volume of the 22 trading days prior to the repayment date.

Laurus can convert to equity any portion of the principal balance and accrued but unpaid interest subject to the limitations of the 35% aggregate trading limit for the 22 days prior to redemption and the 4.99% total holdings limitation with the only exceptions being default and prior 75 day notification by Laurus that they will exceed the 4.99% ownership limitation but will be restricted to a 19.99% limitation not to exceed 4,457,995 shares.

Interest payable on the Note shall accrue at a rate per annum equal to the prime rate published in The Wall Street Journal from time to time, plus one percent (1.0%). The interest rate shall not be less than five percent (5.0%) and no more than eight percent (8.0%). Interest shall be (i) calculated on the basis of a 360 day year, and (ii) payable monthly, in arrears, commencing on August 1, 2004 and on the first business day of each consecutive calendar month thereafter until the Maturity Date, July 29, 2007.Amortizing payments of the aggregate principal amount outstanding under this Note shall begin on February 1, 2005 and shall recur on the first business day of each succeeding month thereafter until the Maturity Date. Beginning on the first Amortization Date, We agreed to make monthly payments to Laurus Funds on each Repayment Date, each in the amount of $166,666.67 together with any accrued and unpaid interest to date on such portion of the Principal Amount plus any and all other amounts which are then owing under this Note, the Purchase Agreement or any other Related Agreement but have not been paid. Any Principal Amount that remains outstanding on the Maturity Date shall be due and payable on the Maturity Date. We also retain the right to prepay the note at 125% of the unpaid balance for 12 months from July 29, 2004; 115% of the unpaid balance for 12-24 months from July 29, 2004; and 110% of the unpaid balance after 24 months from July 29, 2004.

We also agreed to file a registration statement within 45 days from July 29, 2004, registering the number of shares underlying the secured convertible term note and the warrants, and to have that registration statement declared effective with the Securities and Exchange Commission within 120 days from July 29, 2004. In the event that the registration statement is not filed by the required deadline, we are obligated to pay Laurus Master Fund 1% of the original principal amount of the convertible note, for each 30-day period, or portion thereof, during which the registration statement is not filed. In the event that the registration statement is not declared effective by the Securities and Exchange Commission by the required deadline, which is 120 days from the date of the Securities Purchase Agreement, we are obligated to pay to Laurus Master Fund 1% of the original principal amount of the convertible note, for each 30-day period, or portion thereof, during which the registration statement is not effective.

We filed the registration statement for Laurus Funds 4 days after the required deadline. Since the registration statement was still under review by Laurus at the required 45 day filing deadline, Laurus agreed to waive the penalty fee associated with the late filing of the registration statement.

In connection with the purchase of the Note, the Company issued a Common Stock Purchase Warrant that provides for the purchase of up to 615,000 shares of Common Stock, at the exercise price of $2.63 for 300,000 shares and $3.07 for 315,000 shares until July 29, 2007.

Largo, FL, August 18, 2004 – PowerCold Corporation (OTCBB: PWCL) announced today the signing of a five-year strategic alliance with Munters Commercial Dehumidification Division for the marketing and sale of commercial HVAC dehumidification packages. Under the terms of the agreement, PowerCold will market Munters' Humidity Control Units (HCUs) with its HVAC systems. Munters will support the relationship with promotional literature, technical specifications, performance software, and support services.

The agreement represents the next step in an expanding relationship between PowerCold and Munters. The two companies have worked together for over a year to target a number of national hotel, restaurant and retail chains for joint marketing efforts that are expected to generate substantial revenues over the next five years.

LARGO, FL, SEPTEMBER 9, 2004 – PowerCold Corporation (OTCBB: PWCL) announced today that its wholly-owned subsidiary, PowerCold ComfortAir Solutions, Inc. has signed a five-year sales and marketing agreement with the Unitary Products Group of YORK International Corporation (NYSE:YRK). PowerCold® will use and promote YORK® commercial HVAC products with its central HVAC system packages. YORK® is supporting the relationship promoting PowerCold® systems with joint sales calls, promotional literature and product specs, performance software, and plant tours.

The joint marketing efforts will target a number of specific customers and accounts including hotels, restaurants, healthcare facilities, and pharmacies.

Largo, FL, September 27, 2004 – PowerCold Corporation (OTCBB: PWCL) announced today that its wholly-owned subsidiary, PowerCold ComfortAir Solutions, Inc. has partnered with the Halton Company to provide an innovative HVAC kitchen system that features Halton's commercial kitchen ventilation systems and PowerCold's energy efficient HVAC systems. Together these integrated systems reduce energy and maintenance costs and provide individual humidity and temperature control of the entire kitchen space.

Largo, FL. September 28, 2004 – PowerCold Corporation (OTCBB: PWCL) announced today that its wholly owned subsidiary, PowerCold ComfortAir Solutions, Inc. has entered into a marketing agreement with an multinational hospitality company. Under the terms of the agreement, PowerCold® will provide the engineering design, equipment, and installation of its proprietary HVAC plumbing and fire sprinkler systems for the Franchisees of the Company's U.S. hotel chains.

With the signing of the agreement, PowerCold joins an exclusive group of hospitality industry suppliers who were selected for their product quality, service value, and ability to deliver on time. This agreement effectively positions PowerCold for long-term growth and underscores the Company's commitment to providing its customers with energy efficient, high quality HVAC products.

Subsequent Events:

Largo, FL, October 20, 2004 – PowerCold Corporation (OTCBB:PWCL) announced today that it has been selected by another hotel chain as an approved vendor for PowerCold ComfortAir Solutions central HVAC system. The preeminent multinational hospitality company develops, owns and manages, or franchises over 2,000 hotels. PowerCold's patented HVAC system was selected for its energy efficient design and equipment that provides guest rooms with clean fresh air and reduces operating costs.

This is the second hospitality company to approve the use of PowerCold's proprietary central HVAC system. A September 28, 2004 news release stated that PowerCold® entered into a marketing agreement with an multinational hospitality company, whereas PowerCold® will provide the engineering design, equipment, and installation of its proprietary HVAC system for the Franchisees of the Company's U.S. hotel chains.

RESULTS OF OPERATIONS – Third Quarter 2004

The Company's Consolidated Statement of Operations for the third quarter ended September 30, 2004 compared to the third quarter ended September 30, 2003:

Total Revenue for the three-month period ended September 30, 2004 increased 28.4% to $2,747,465 from $2,139,794 for the same quarter the prior year, and for the nine-month period ended September 30, 2004 increased 36.8% to $7,348,302 from $5,373,354 for the same period the prior year.

Operating Loss for the three-month period ended September 30, 2004 increased $605,894, to ($552,098) from a prior period operating income gain of $53,797, and for the nine-month period ended September 30, 2004 increased 96.90% to ($1,575,998) from ($803,288) for the same period the prior year.

Net Loss for the three-month period ended September 30, 2004 increased to ($552,098) from a prior period gain of $286,759 for the same quarter the prior year, and for the nine-month period ended September 30, 2004 increased 367% to ($1,877.535) from ($402,078) for the same period the prior year. Net Operating Losses from continuing operations included charges of $250,000 for bad debt for the quarter and $559,249 for the nine months ended September 30, 2004 for debt funding services. Sales, marketing and advertising expense increased with added personnel and travel expense. The net loss in the nine month comparable prior period included a one time gain of $233,139 in the third quarter of 2003. Operating losses increased due to lower gross profit margins due to competitive pressures in the pursuit of new business and increased operating expenses related to the replacement of hot water heating equipment at three hotels that did not satisfy design specifications. The net loss increased due to higher operating loss and interest and financing expenses totaling more than $300,000 for the nine month period ended September 2004. As a result, a lawsuit has been filed against the equipment manufacture to recover the cost of replacement equipment and installation expense in the amount of $160,000. The net loss increased due to the higher operating loss and interest and financing expense for the convertible debt funding concluded on July 29, 2004 totaling more than $300,000 for the nine month period ended September 30, 2004. It is expected that quarter operating losses will decline as revenue increases, margins improve and operating expenses remain stable, however there is no guarantee that operating expenses will not increase or that margins will improve.

Net Loss Per Share for the three-month period ended September 30, 2004 increased to ($0.03) from ($0.01) for the same quarter the prior year, and for the nine-month period ended September 30, 2004 increased to ($0.09) from ($0.02) for the same period the prior year. Net loss per share was based on weighted average number of shares of 22,184,710 for the three-month period ended September 30, 2004 and 19,102,066 for the three month period ended September 30, 2003.

The Company’s sales and revenue continue to grow through the nine month period in 2004. Total revenue of $7,348,302 for the nine months ended through September 30, 2004 exceeded the total annual revenue of $4,070,476 for 2003 and $1,505,890 for 2002. The Company anticipates new contracts to exceed $5 million through the fourth quarter 2004 and has over $38 million in proposals in process with various national account customers. The majority of PowerCold ComfortAir Solutions’ engineering design proposals are for large commercial building projects that revolve over a nine to fifteen month contract cycle and are recognized as revenue on a percentage of completion basis. The Company expects to close new contract proposals at a 10% - 15% rate per quarter and generate revenue from those contracts through the following six – fifteen month installation cycle based upon the historical closure rate for the company over the last two years and the increase in sales and marketing staff to capitalize upon the number of outstanding proposals with national chain accounts. We anticipate reduced losses with increased revenue but will not attain profitability in the fourth quarter of 2004 as it is unlikely that gross margins will improve in the near term. Projections regarding revenue and income should not be considered a certainty and in fact projections may not be met at all. The market for commercial HVAC systems for retail national chain stores and restaurant accounts continues to expand with the recent addition of four new chains.

PowerCold Products production facility has continued to improve its operations with an emphasis on cost reduction programs and new sales initiatives focused on volume markets for Fluid Coolers and Evaporative Condensers. Major new engineering and marketing programs related to the new plastic products have been implemented with direct emphasis on OEM companies. Newly designed fluid coolers that use DuPont's Caltrel® plastic tubing have been shipped to a national restaurant chain and to several large fluid cooler OEM. Some of the value and benefits of the new plastic tubing to OEM companies are: improved coil scale shedding over copper tubing, superior corrosion resistance of the coil compared to copper construction, lower water usage, and lower maintenance cost.

Operating expenses increased 36.2% to $994,772 for the quarter and for the nine months increased 46.3% to $3,173,988. Operating expenses increased primarily due to, additional accounting and legal expense related to new financing, legal and accounting expense for two stock registrations, legal defense in two lawsuits, legal expense in action against a vendor and a general contractor, higher insurance premium based upon revenue, the replacement of the hot water heating system in three hotels and funding as compared to the prior year nine month period. General administrative costs declined by $33,244 or 18.2% for the three month period and increased by $570,795 or 35.8% due primarily to legal, accounting and funding expense in the third quarter plus one-time charges related to the installation of new enterprise accounting software, communications related improvements and compliance programs in the first and second quarter. Additional adjustments related to specific product cost issues are being implemented and will reflect greater profit margins going forward. Lower than anticipated R & D expenditures for plastic products contributed to cost containment as several products under development have advanced to the field test and marketing stage.

The Company's Consolidated Balance Sheet as of the third quarter ended September 30, 2004 compared to year ending December 31, 2003:

Total current assets increased 179.1% to $8,709,079 for the third quarter ended September 30, 2004 compared to $3,119,982 for the year ending December 31, 2003. Total assets increased 120.2% to $10,111,827 for the third quarter ended September 30, 2004 compared to $4,592,716 for the year ending December 31, 2003. Total Current Liabilities increased 106.8% to $6,123,412 for the third quarter ended September 30, 2004 compared to $2,960,897 for the year ending December 31, 2003. Total stockholders' equity decreased 46.2% to $840,361 for the third quarter ended September 30, 2004 compared to $1,562,402 for the year ending December 31, 2003.

The increase in assets was mainly due to cash from the convertible debt funding and the rise of Accounts Receivable primarily from large design projects. Accounts Receivable currently exceeds Accounts Payable and Billings in excess of costs and estimated earnings on contracts in progress by $2,450,207 and has increased by $1,921,052 from the previous quarterly reporting period on $2,746,090 in third quarter revenue. Inventory decreased by $18,916 in the same time period. Accounts Payable increased by $1,084,591 from the end of the previous quarter in part as a result of several new contracts and orders from chain stores. The substantial increase in receivables has put significant pressure upon the cash flow. A substantial reduction in past due Accounts Receivables and increased cash flow from completed installations is expected in the first quarter of 2005. We are currently reviewing past due receivables and expect to significantly increase our allowance for bad debt to reflect impairment for aging and receivables that are in litigation or arbitration. The increase in liabilities since December 31, 2003 was mainly due to the increase in payables related to hospitality contracts and to a lesser extent the increase in Billings in Excess of Costs and Estimated Earnings on Contracts in Progress by $280,389 at the end of Q3. Commitments and contingencies of $69,417 are from old outstanding accounts payable from the previous RealCold Products and Nauticon operations. Management believes that these contingency debts will be written off over time.

During the three months ended September 30, 2004, the Company issued, 196,545 common stock shares; 90,295 shares of common stock at a price of $1.66 per share for the conversion of debt in the amount of $150,000; 81,250 shares at a price of $1.60 per share valued at $130,000 for private placement; and 25,000 shares at $1.50 per share valued at $37,500 for a partial patent acquisition.

During the three months ended September 30, 2004, the Company issued 300,000 common stock warrants exercisable at $1.87 per share, for three years from the date of issuance as consideration for investment banking services. The warrants expire on August 30, 2007. The Company issued 615,000 warrants to purchase common stock on July 29, 2004 in connection with a $5,000,000 convertible debt funding. The warrants have a three year term and expire July 29, 2007. The exercise price is $2.63 for 300,000 warrants to purchase common stock and $3.07 for 315,000 warrants to purchase common stock. The fair market value of the warrants was estimated on the date of grant using Black Scholes Calculation. The following assumptions were made in estimating fair value: risk free interest 4%, volatility 75%, expected life of one to five years and no dividends.

During the three months ended September 30, 2004, the Company granted 461,111 common stock options for Company employees with an exercise price of $1.65 per share expires July 30, 2009.

Liquidity and Capital Resources: At September 30, 2004, the Company's working capital increased to $2,585,667 from a $159,083 position at December 31, 2003 as a result of the cash from the convertible debt funding on July 29, 2004 and higher accounts receivable during the third quarter. The collection of accounts receivables is contingent on our ability to fulfill the terms and condition of customer contracts. Cash increased from $374,678 at year-end to $1,473,411 as of September 30, 2004 due to the convertible debt funding completed on July 29, 2004. The initial national chain store and hotel installations are learning experiences that have resulted in slow payments increasing accounts receivable. As additional stores and hotels are installed the installation cycle for the same building design is improved, reducing installation issues and delays in construction improving our prospects for collecting receivables at an earlier date improving our cash flow. Inventory movement decreased to $116,429 from the previous quarter but was up 944% from prior year end due to increased demand for Nauticon Fluid Coolers, Evaporative Condensers and the new Plastic coil product ramp up. Purchasing agreements with suppliers, coupled with the use of common parts throughout the product lines should minimize further growth in inventory levels and at the same time reduce the cost of product sold, improving the gross profit margin. Record quarterly sales drove accounts receivable to new levels. Overall, our ability to produce sufficient cash should continue to improve as we gain greater experience delivering and installing the same repetitive designed chain store and restaurant account.

Status of Operations: Management intends to continue to utilize and develop the intangible assets of the Company. At September 30, 2004, intangible assets comprised 10% of the Company's total assets. The recovery of these intangible assets is dependent upon achieving profitable operations. It is Management's opinion that the Company's cash flow generated from current intangible assets is not impaired, and that recovery of its intangible
assets, upon which profitable operations will be based, will occur. Management believes that its working capital is sufficient to support its growth plans for 2004. The Company recently became the beneficiary of up to a $25 Million financing program from a major commercial mortgage corporation, which provides the Company and its customers a leasing credit facility. And the Company also recently received $5 million in convertible debt financing on July 30, 2004.

The Company recently applied to the U.S. Patent Office for a new modular design heat exchanger patent that features superior modular and flexible designed plastic components. Utilizing polymeric materials provides additional value and innovation to PowerCold's portfolio of products. Plastic components create a new platform for PowerCold to deliver energy efficient and cost-effective HVAC solutions for its customers.

A new patent application (third Nauticon® patent) which was filed in 2002 was recently submitted for an international filing as an enhanced evaporative condenser. Management believes that the additional development cost related to the new patent application will protect the company's intellectual property and improve opportunities for increased revenues and profits for the Company's Nauticon product line. Patents and acquired technology are amortized on a straight line basis over a 15 year life commencing with the beginning of product sales.

ITEM 3: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKRT RISK

The company, at the present time, has no exposure to market risk sensitive instruments entered into for trading purposes and instruments related to interest rate risk, foreign currency exchange rate risk, commodity price risk, and other relevant market risks, such as equity price risk.

ITEM 4. CONTROLS AND PROCEDURES

QUARTERLY EVALUATION OF THE COMPANY'S DISCLOSURE CONTROLS AND INTERNAL CONTROLS. The Company maintains disclosure controls and procedures designed to ensure that information required to be disclosed in reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the specified time periods. As of the end of the period covered by this report, PowerCold's Chief Executive Officer (CEO) and PowerCold's Chief Financial Officer (CFO) evaluated, with the participation of PowerCold's management, the effectiveness of the Company's disclosure controls and procedures. Based on the evaluation, which disclosed no significant deficiencies or material weaknesses, PowerCold's Principal Executive and Principal Financial Officer each concluded that the Company's disclosure controls and procedures are effective. There were no changes in the Company's internal controls over financial reporting that occurred during the Company's most recent fiscal quarter that may have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

CEO and CFO CERTIFICATIONS.

Appearing immediately following the Signatures section of this Quarterly Report there are two separate forms of "Certifications" of the CEO. The second form of Certification is required in accord with Section 302 of the Sarbanes-Oxley Act of 2002 (the Section 302 Certification). This section of the Quarterly Report, which you are currently reading is the information concerning the Controls Evaluation referred to in the Section 302 Certifications and this information should be read in conjunction with the Section 302 Certifications for a more complete understanding of the topics presented.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS.

Disclosure Controls are procedures that are designed with the objective of ensuring that information required to be disclosed in our reports filed under the Securities Exchange Act of 1934 (Exchange Act), such as this Quarterly Report, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's (SEC) rules and forms. Disclosure Controls are also designed with the objective of ensuring that such information is accumulated and communicated to our management, including the CEO and CFO, as appropriate to allow timely decisions regarding required disclosure. Internal Controls are procedures which are designed with the objective of providing reasonable assurance that (1) our transactions are properly authorized; (2) our assets are safeguarded against unauthorized or improper use; and (3) our transactions are properly recorded and reported, all to permit the preparation of our financial statements in conformity with generally accepted accounting principles.

LIMITATIONS ON THE EFFECTIVENESS OF CONTROLS.

The Company's management, including the CEO and CFO, does not expect that our Disclosure Controls or our Internal Controls will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about

the likelihood of future events, and there can be no assurance that any design will succeed achieving its stated goals under all potential future conditions; over time, control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

SCOPE OF THE CONTROLS EVALUATION.

The CEO and CFO evaluation of our Disclosure Controls and our Internal Controls included a review of the controls' objectives and design, the controls' implementation by the Company and the effect of the controls on the information generated for use in this Quarterly Report. In the course of the Controls Evaluation, we sought to identify data errors, controls problems or acts of fraud and to confirm that appropriate corrective action, including process improvements, were being undertaken. This type of evaluation will be done on a quarterly basis so that the conclusions concerning controls effectiveness can be reported in our Quarterly Reports on Form 10-Q and Annual Report on Form 10-K. Our Internal Controls are also evaluated on an ongoing basis by our independent auditors in connection with their audit and review activities. The overall goals of these various evaluation activities are to monitor our Disclosure Controls and our Internal Controls and to make modifications as necessary; our intent in this regard is that the Disclosure Controls and the Internal Controls will be maintained as dynamic systems that change (including with improvements and corrections) as conditions warrant.

Among other matters, we sought in our evaluation to determine whether there were any "significant deficiencies" or "material weaknesses" in the Company's Internal Controls, or whether the Company had identified any acts of fraud involving personnel who have a significant role in the Company's Internal Controls. This information was important both for the Controls Evaluation generally and because items 5 and 6 in the Section 302 Certifications of the CEO and CFO require that the CEO and CFO disclose that information to our Board's Audit Committee and to our independent auditors and to report on related matters in this section of the Quarterly Report. In the professional auditing literature, "significant deficiencies" are referred to as "reportable conditions"; these are control issues that could have a significant adverse effect on the ability to record, process, summarize and report financial data in the financial statements. A "material weakness" is defined in the auditing literature as a particularly serious reportable condition where the internal control does not reduce to a relatively low level the risk that misstatements caused by error or fraud may occur in amounts that would be material in relation to the financial statements and not be detected within a timely period by employees in the normal course of performing their assigned functions. We also sought to deal with other controls matters in the Controls Evaluation, and in each case if a problem was identified, we considered what revision, improvement and/or correction to make in accord with our on-going procedures.

In accord with SEC requirements, the CEO and CFO note that, since the date of the Controls Evaluation to the date of this Quarterly Report, there have been no significant changes in Internal Controls or in other factors that could significantly affect Internal Controls, including any corrective actions with regard to significant deficiencies and material weaknesses.

CONCLUSIONS.

Based upon the Controls Evaluation, our CEO and CFO have concluded that, subject to the limitations noted above, our Disclosure Controls are effective to ensure that material information relating to PowerCold Corporation, Inc. and its subsidiaries is made known to management, including the CEO and CFO, particularly during the period when our periodic reports are being prepared, and that our Internal Controls are effective to provide reasonable assurance that our financial statements are fairly presented in conformity with generally accepted accounting principles.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

Two Company subsidiaries, PowerCold Products, Inc. and PowerCold ComfortAir Solutions, Inc. f/k/a Ultimate Comfort Systems Inc., as Third-Party Defendants, are involved in a multi third-party law-suit, ERA Refrigeration Company, Inc., Plaintiff vs. Nicholas Ladopoulos, et al., Defandants, and Yahara Crossing, LLC; Windsor Commons, LLC; Progressive Designs, LLC; All Star Properties, Third Party Plaintiffs vs. Steve Clark, PowerCold Products, Inc., Total Comfort Solutions, Inc. and PowerCold ComfortAir Solutions, Inc relating to a 1999 third-party design of two HVAC systems; this installation was inherited by PowerCold ComfortAir Solutions and chiller equipment manufactured by PowerCold Products, Inc. and installed by a local third-party mechanical contractor. Third–Party Plaintiffs are asking for a full refund of the contract purchase price. The suite was filed with the court on February 2, 2004. The Plaintiff did not purchase the equipment from PowerCold or any of its subsidiary companies. In the Company's opinion the system design by others and not the equipment provided by PowerCold to other third party defendants is at fault. Lawsuit Case Code No. 03-CV-3452, Case Code: 30301, Dane County, Wisconsin, Circuit Court Branch 9. As of November 8, 2004 the primary defendant, and all four third party defendants have agreed in principal to settle in full for $93,000. The percentage share of each defendant is in negotiations.

A Company subsidiary, PowerCold ComfortAir Solutions, Inc., is a Defendant in a law-suit for certain fees claimed in the amount of $16,170.00 by the Plaintiff (Big Sky Plumbing & Heating vs. PowerCold ComfortAir Solutions, Inc and Ultimate Comfort Solutions), a local mechanical contractor, for installation of a third party designed cooling system, which the Defendant states are not acceptable. Big Sky Plumbing & Heating submitted invoices to PowerCold ComfortAir Solutions in excess of the $4,000 authorized for services performed. The suite was filed on March 30, 2004. PowerCold has made an offer to settle for only the services authorized. PowerCold ComfortAir Solutions inherited this installation from a previous licensed technology application. . A jury trial date has been set for December 12, 2005 with a pretrial court ordered settlement conference, with a neutral third party settlement master, no later than May 13, 2005. Lawsuit Cause No. ADV-2004-151, Montana First Judicial District Court, Lewis & Clark County.

PowerCold ComfortAir Solutions, Inc, filed suit against Compass Group, et al (a General Contractor) in St. Johns County, Florida – Case No.CA04-525 on October 11, 2004; for damages and attorney's fees. In addition PowerCold has placed a construction lien on the property seeking payment of $91,675.80 in unpaid and past due receivables.

PowerCold ComfortAir Solutions, Inc., filed suit against Takagi USA, Inc. for damages related to defective products sold to PowerCold ComfortAir Solutions, Inc. in Circuit Court in Pinellas County, Florida – Case No. 04-7819-CI-13 on November 2, 2004 for damages in excess of $160,000 and attorney's fee.

It is the opinion of management that these two matters in which PowerCold is a defendant will not have any major material adverse effect on the Company as third party engineering designs are deemed by the Company to be the cause of the problems and not the equipment provided by the PowerCold.

Item 2. Changes in Securities
None.

Item 3. Defaults Upon Senior Securities.
None.

Item 4. Submission of Matters to a Vote of Security Holders.
None.

Item 5. Other Information.
None.

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits

No.	Description
Exhibit 31.1	Certification of Francis L. Simola, President and Chief Executive Officer pursuant to 18 U.S.C. 1350.
Exhibit 31.2	Certification of Joseph C. Cahill, Chief Financial Officer pursuant to 18 U.S.C. 1350.
Exhibit 32.1	Certification of Francis L. Simola, President and Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
Exhibit 32.2	Certification of Joseph C. Cahill, Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K relating to the quarter ended; (Subsequently to September 30, 2004)
8 -K July 30, 2004 - $5 Million Financial Deal

SIGNATURES

In accordance with the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

POWERCOLD CORPORATION

/S/ Francis L. Simola
Francis L. Simola
President and CEO

Date: April 29, 2005

Exhibit 31.1

CERTIFICATION

I, Francis L. Simola, certify that:

(1) I have reviewed this Form 10-Q/A of PowerCold Corporation;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of PowerCold Corporation as of, and for, the periods presented in this report;

(4) PowerCold Corporation's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for PowerCold Corporation and have:

> (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to PowerCold Corporation, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
>
> (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
>
> (c) Evaluated the effectiveness of PowerCold Corporation's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
>
> (d) Disclosed in this report any change in PowerCold Corporation's internal control over financial reporting that occurred during PowerCold Corporation's most recent fiscal quarter (PowerCold Corporation's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, PowerCold Corporation's internal control over financial reporting; and

(5) PowerCold Corporation's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to PowerCold Corporation's auditors and the audit committee of PowerCold Corporation's board of directors (or persons performing the equivalent functions):

> (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect PowerCold Corporation's ability to record, process, summarize and report financial information; and
>
> (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in PowerCold Corporation's internal control over financial reporting.

Date: April 29, 2005

/s/ Francis L. Simola
Francis L. Simola
Chairman, President and CEO

Exhibit 31.2

CERTIFICATION

I, Joseph C. Cahill, certify that:

(1) I have reviewed this Form 10-Q/A of PowerCold Corporation;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of PowerCold Corporation as of, and for, the periods presented in this report;

(4) PowerCold Corporation's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for PowerCold Corporation and have:

> (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to PowerCold Corporation, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
>
> (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
>
> (c) Evaluated the effectiveness of PowerCold Corporation's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
>
> (d) Disclosed in this report any change in PowerCold Corporation's internal control over financial reporting that occurred during PowerCold Corporation's most recent fiscal quarter (PowerCold Corporation's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, PowerCold Corporation's internal control over financial reporting; and

(5) PowerCold Corporation's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to PowerCold Corporation's auditors and the audit committee of PowerCold Corporation's board of directors (or persons performing the equivalent functions):

> (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect PowerCold Corporation's ability to record, process, summarize and report financial information; and
>
> (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in PowerCold Corporation's internal control over financial reporting.

Date: April 29, 2005

/s/ Joseph C. Cahill
Joseph C. Cahill
Director and CFO

Exhibit 32.1

CERTIFICATION PURSUANT TO THE SARBANES-OXLEY ACT
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Francis L. Simola, Chairman, President and CEO of PowerCold Corporation (the "Company") do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. This amended Quarterly Report on Form 10-Q/A of the Company for the period ended September 30, 2004 as filed with the Securities and Exchange Commission (the "report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 29, 2005

/s/ Francis L. Simola
Francis L. Simola
Chairman, President and CEO

Exhibit 32.2

CERTIFICATION PURSUANT TO THE SARBANES-OXLEY ACT
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Joseph C. Cahill, Director and CFO of PowerCold Corporation (the "Company") do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. This amended Quarterly Report on Form 10-Q/A of the Company for the period ended September 30, 2004 as filed with the Securities and Exchange Commission (the "report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 29, 2005

/s/ Joseph C. Cahill
Joseph C. Cahill
Director and CFO